

TENNESSEE EDUCATION LOTTERY CORPORATION

REQUEST FOR PROPOSAL FOR INTERACTIVE VOICE RESPONSE SYSTEM

A. PURPOSE

The Tennessee Education Lottery Corporation (“**TEL**” or “**Corporation**”) is requesting proposals for an Interactive Voice Response (IVR) system, as outlined in this Request For Proposal (“**RFP**”). Proposal documents shall be submitted to the TEL in accordance with the instructions and specifications detailed herein.

B. GENERAL INFORMATION AND SCHEDULE

This RFP has been issued on Thursday, January 22, 2004. Questions and requests for clarifications relating to this RFP must be directed to the TEL’s RFP Coordinator. All questions and requests for clarification must be in writing, by Wednesday, January 28, 2004. The TEL’s responses to all written questions and requests for clarification received by the TEL will be posted to the TEL’s website, www.tnlottery.com by close of business on Monday, February 2, 2004. The RFP Coordinator is to be the **sole** point of contact at the TEL for contractors, effective with the date of release of this RFP and until a contractor is selected to provide an IVR system. Contact with any representative of the TEL, other than the RFP Coordinator, will result in disqualification. The TEL’s RFP Coordinator is:

Ms. Jasmine Batth
RFP Coordinator
Tennessee Education Lottery Corporation
Plaza Tower MetroCenter
200 Athens Way
Nashville, TN 37228
Telephone: 615-253-1108
Facsimile: 615-253-6886
Email: jasmine.batth@state.tn.us

Delivery of five (5) copies of the proposal, with original signatures, to the TEL RFP Coordinator at the above address is due no later than 3:00 P.M. Central Time on MONDAY, FEBRUARY 9, 2004. Proposals received by the TEL RFP Coordinator after this date and time will be rejected, WITHOUT EXCEPTION. No provisions are made for extenuating circumstances in this RFP.

A contract will be awarded to the contractor whose proposal is determined to be the most advantageous for the TEL, considering all the conditions set forth in this RFP, and which provides the greatest long-term benefit to the State of Tennessee, the greatest integrity for the TEL, and the best services and products for the public. While price will be an important factor, it alone will not be the deciding factor in the selection process. In accordance with the Tennessee Education Lottery Act, T.C.A. §4-51-101(the “**Act**”), the contractor selected will be required to pass a security and financial responsibility background check.

Issuance of this RFP does not constitute an offer to purchase the services or a commitment on the part of the TEL to award a contract pursuant to this RFP. The TEL reserves the right to reject any and all proposals submitted in response to this RFP, in whole or in part, and to award a contract pursuant to this RFP or cancel this RFP if it is considered to be in the best interests of the TEL. The TEL further reserves the right to make changes to this RFP at any time and from time to time by issuance of written addendum/addenda, amendment(s) or clarification(s).

C. EVALUATION OF PROPOSALS

The TEL has established an Evaluation Committee that will be responsible for evaluating the proposals received from interested contractors. With the release of this RFP, the Evaluation Committee has established uniform criteria by which all proposals will be “scored.” The criteria to be used by the Evaluation Committee will be: (1) total cost of ownership to the TEL; (2) the ability to provide the required and desired services; and (3) redundancy and reliability. These criteria are presented for informational purposes and do not necessarily represent the order of importance or weight that each factor will have in the final scoring of proposals.

D. EQUAL OPPORTUNITY

The TEL prohibits discrimination on the basis of race, color, gender, religion, national origin, or disability in connection with employment of any person, or the award of any contract with the corporation.

The TEL will provide equal opportunities without regard to race, color, gender, religion, national origin, or disability, by requiring that any firm doing business with the corporation provide equal opportunity to persons and businesses employed by, or contracting with the supplier of products and services to the Corporation.

E. MINORITY PARTICIPATION

It is an overall objective of the TEL to encourage involvement by minority contractors and suppliers in business activities generated by the Corporation, while assuring that such activities will be conducted in accordance with all applicable laws. Furthermore, in accordance with the Act, it is the declared policy and intent of the Corporation to strive to maximize participation of minority owned businesses to achieve a minimum participation of fifteen percent (15%) through all business contracting opportunities.

Firms interested in doing business with the TEL are required to complete Exhibit C (Minority-Owned Business Utilization Plan) upon contract award. Please include within this proposal a short narrative describing your commitment to assist the Corporation in striving to maximize participation of minority-owned businesses.

F. COSTS OF PROPOSALS

The TEL is not responsible or liable for any of the costs incurred by any contractor in preparing and/or submitting a proposal pursuant to this RFP.

G. ORAL PRESENTATIONS AND QUESTIONS

Any contractor that submits a proposal may be requested to provide additional information to the TEL. Such information is only for the purpose of clarification and in

no way changes the contractor's proposal as originally submitted. An Evaluation Committee of the TEL will schedule times and locations for oral presentations by a contractor, if necessary. The TEL reserves the right to ask any or all contractor to clarify any portion of their proposals after submission. The TEL will not be responsible for any costs or expenses incurred by a contractor in its response to such inquiries.

H. FORM OF PROPOSAL

Each proposal must be prepared simply and economically, providing a clear description of the contractor's capabilities to meet the requirements of this RFP. In order to expedite the evaluation process, respondents are required to submit their proposals in the following format:

- Section 1* Submit a completed Exhibit A, confirming the contractor's ability to meet all of the requirements of this RFP.
- Section 2* Provide a brief profile of the contractor, including, but not limited to, history, current business issues, description of services, description of customer support, etc.
- Section 3* Submit a completed Exhibit B with responses to all subsections: 1) administrative requirements, 2) system requirements, and 3) related services.
- Section 4* Submit a narrative as noted in Section E, above.

I. PROPOSAL TENURE

All proposals will be an irrevocable offer for ninety (90) calendar days from the proposal due date.

J. PROPOSAL SIGNATURES AND PACKAGING

A representative who is authorized to contractually bind the contractor must manually sign all copies of the proposal. The contractor must also provide the TEL with the name, business address, business telephone number, and email address of a person who will act as the contact person for all inquiries that the TEL may have during the proposal evaluation process. Such person must be authorized to make representations for and bind the contractor contractually.

K. NON-EXCLUSIVE RIGHTS

By this RFP, the TEL does not intend to grant any contractor the exclusive rights to provide all equipment, materials, and services required by the TEL during the period covered by any contract resulting from this RFP. If the TEL determines that creation and production of materials and services by various contractors is in the TEL's best interest, the TEL shall have the right to purchase, contract for, and use these materials and services without infringing upon or terminating any contract resulting from this RFP.

L. PROPOSAL DELIVERY

It is the contractor's responsibility to assure that its proposal is delivered at the proper time and place, as specified in this RFP. Proposals which, for any reason, are not so delivered will not be considered by the TEL. Late proposals will not be accepted; they will be returned unopened to the responding contractor. **Proposals transmitted by telegram, telephone, or fax will not be accepted.** A proposal may not be altered after delivery, unless requested by the TEL.

M. ACCEPTANCE OF PROPOSAL BY THE TEL

The TEL reserves the right to accept or reject any and all proposals and to award a contract pursuant to this RFP in the best interests of the TEL and the State of Tennessee. **The TEL also reserves the right to negotiate with any or all contractor(s) in any manner necessary to serve its best interests.**

N. PROPOSALS SUBJECT TO OPEN RECORDS

All data, material and documentation originated and prepared for the TEL pursuant to this RFP shall belong exclusively to the TEL and may be available to the public in accordance with the Tennessee Open Records Act, §10-7-101. However, in accordance with T.C.A. §4-51-124, the TEL may make reasonable attempts to maintain the confidentiality of any trade secrets or proprietary information identified by a contractor if such contractor properly identifies the particular data or other materials which are trade secrets or proprietary information in writing by page, paragraph and sentence prior to or upon submission to the TEL of the data or other materials to be protected. The contractor should also state the reasons such confidentiality is necessary. However, under no circumstance will the TEL be liable to any contractor or to any other person or entity, for any disclosure of any such trade secret or confidential information. The TEL may not consider proposals in which all or a substantial portion of the proposal is declared by the contractor to constitute trade secrets or confidential information.

O. ADVERTISING

In submitting a proposal, the contractor agrees not to use the results thereof as a part of any commercial advertising without the prior written consent of the TEL.

P. NEWS RELEASES

The TEL is the only entity authorized to issue news releases relating to this RFP, its evaluation, and the award of any contract and performance there under. Under no circumstances shall any contractor issue any such news releases without the express prior written consent of the TEL in each instance.

Q. INTERPRETATIONS AND DISPUTES

Any questions concerning conditions and specifications in this RFP shall be directed in writing to the TEL RFP Coordinator. Inquiries must reference this RFP and the date delivery of the proposal is due to the TEL RFP Coordinator. No interpretation shall be considered binding unless provided in writing by the TEL through the RFP Coordinator. Any actual or prospective contractor who disputes the reasonableness or appropriateness of the terms, conditions, and specifications of the RFP or any action taken by the TEL in connection with this RFP, or the contract to be awarded pursuant hereto, must first pursue and exhaust any and all remedies available to it in accordance with the dispute resolution

procedures adopted by the TEL, as amended from time to time. Any appeal of any decision of the Board of Directors of the TEL must be made in accordance with such dispute resolution procedures and Section 4-51-127 of the Tennessee Education Lottery Act.

R. NONASIGNABILITY

Any award resulting from this RFP cannot be assigned in whole or in part without the prior written approval of the TEL.

S. SPECIFICATIONS FOR REQUIRED VOICE AND DATA NETWORKS

Please refer to Exhibit B for background and functional requirements.

EXHIBIT A

TENNESSEE EDUCATION LOTTERY CORPORATION

PROPOSAL

We propose to furnish and deliver any and all of the deliverables and services named in the Request for Proposal (“**RFP**”) for an Interactive Voice Response system. The terms offered herein shall apply for the period of time stated in the RFP.

We further agree to strictly abide by all of the terms and conditions contained in the RFP and the [Tennessee Education Lottery Act](#), as amended from time to time. Any exceptions are noted in writing and included with our proposal.

It is understood and agreed that we have read the [Tennessee Education Lottery Corporation’s \(“TEL’s”\)](#) specifications shown or referenced in the RFP and that this proposal is made in accordance with the provisions of such specifications. By our written signature on this proposal, we guarantee and certify that all items included in this proposal meet or exceed any and all of the [TEL](#) specifications. We further agree, if awarded a contract, to deliver goods and services that meet or exceed the specifications.

PROPOSAL SIGNATURE AND CERTIFICATION

(Authorized representative must sign and return with proposal)

I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a proposal for the same materials, supplies, equipment, or services and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of State and Federal Law and can result in fines, prison sentences and civil damage awards. I understand and agree to abide by all conditions of the RFP and this proposal and certify that I am authorized to sign this proposal for the responding contractor.

Date: _____

Authorized Signature: _____

Print Name: _____

Title: _____

Company Name: _____

NOTE: PLEASE ENSURE THAT ALL REQUIRED SIGNATURE BLOCKS ARE COMPLETED. FAILURE TO SIGN THIS FORM AND INCLUDE IT WITH YOUR PROPOSAL WILL RESULT IN REJECTION OF YOUR PROPOSAL.

EXHIBIT B

Project Background

The TEL will offer players several methods of obtaining winning numbers for current and past drawings. Winning numbers information for current drawings will be supplied within minutes of each draw to newspapers, television and radio media outlets, as well as TEL's website. However, a significant number of players will obtain winning numbers information through an interactive voice response system which maintains winning numbers for the last 365 days and through our Player Hotline Staff for those players who may require additional information.

The TEL expects to handle close to one million calls per month. These calls average just over one minute each and will be derived from two different sources. The largest volume of calls will come from within the state of Tennessee via a toll-free number (1-877-7TN-PLAY) and via (615-254-4WIN). The TEL plans for both numbers used by players requesting historical winning numbers to be routed (Three T1 PRI's) to the voice response system. Out-of-state players requesting winning numbers must use 1-615-254-4WIN which will be routed to the voice response system. The time limit for installation is 30 days from the notice of award.

The proposed IVR solution must integrate with the TEL current phone PBX system. The current PBX system is a MITEL3300 ICP system described in attachment A.

Proposed Environment

The TEL is proposing to purchase a ("turnkey") IVR system, to be operated and maintained by the TEL, which will allow players an online inquiry service over touch tone telephones through speaker independent numeric recognition. For callers using pulse dial telephones, the IVR system would automatically transfer to TEL player representatives during designated business hours. The successful bidder will provide all equipment, a turnkey application, hardware/software installation, training of TEL personnel and a proposed development and implementation schedule as described in the following paragraphs.

The IVR will handle all calls from players requesting draw results and historical winning number information for a specific game and/or date (not to exceed 365 days). The player will be limited to three (3) dates and/or a maximum of four (4) minutes per call.

Administrative Requirements

1. The IVR system must have the ability to track the length of an individual call and terminate that call when the specified call length has been reached. Ability to change the length of a call must be administered by TEL staff.
2. The system must provide for TEL staff to record, digitize and edit vocabulary with appropriate audio fidelity on-site. The system must allow changes to vocabulary during normal on-line operation without interruption of service,

- without removing production ports from service, or without the need for an external development system.
3. Lottery personnel must be able to input winning numbers within minutes following the drawing. The responding firm must describe the procedures for inputting the winning numbers.
 4. The IVR system should have a graphical icon based interface for operation and administration. TEL staff should be able to operate and administer the system using a mouse to manipulate the icons. The system documentation should be on-line and available through the system console.
 5. The system must include software tools necessary to collect and display specific statistical information required to provide custom reports.
 6. The IVR system must provide a means to limit administrative access.

System Requirements

1. The responding firm must provide an IVR system with a minimum capacity to handle calls from three T-1 PRI's simultaneously. System must connect to a Mitel3300 ICP telephone system and the interface with said system in such a way that the Mitel3300 ICP handles all inbound calls and routes IVR calls to the IVR system. The IVR system will be connected to a Microsoft SQL Server 2000 Standard Edition database via Ethernet to a TEL Server running TCP-IP. The system must include file backup and restore capabilities. The responding firm will be responsible for providing all cabling and other components required for connections to other equipment. Appropriate documents shall be included to describe, in detail, the features, options, major subassemblies, and specifications of the hardware and software offered. The responding firm must identify and supply any additional hardware and software that may be required for the Mitel3300 ICP telephone system.
2. The responding firm must develop and implement (in conjunction with TEL staff) a turnkey winning numbers database application. The system must be multi-tasking and multi-processing to allow for multiple applications to exist and run concurrently. Control and maintenance of the application scripts must reside in voice response system unit.
3. The successful responding firm must provide operational training for a minimum of two TEL staff members. Responding firm must specify the location, recommended duration and content of training for software development, and host interface classes which will allow TEL staff to provide support and change or maintain the IVR system.
4. The responding firm should provide maintenance options including response time, hours of coverage and location of supply depots. Problem reporting and response

must be available 24 hours/day. Responding firm must describe telephone and on-site support available and what level of support is provided by this service.

5. A Work Breakdown Schedule detailing each step and the time that is required to complete each major step should be provided for the development and implementation of the complete IVR System.
6. All equipment must be certified to comply with all applicable FCC regulations.

Related Services

The responding firm will describe its approach to each of the following related services:

1. For future expansion, explain how many ports can be added without changing the footprint.
2. Discuss what hardware and software for the IVR or the Mitel3300 ICP Telephone System would be necessary to increase to the maximum port capacity.
3. The responding firm must describe all system redundancy provided or alternatives recommended if the system does not have built-in redundancy.
4. The IVR system should provide a way to test the entire system with all telephone ports under full load, simultaneously. The simulation should interact with our host computer to allow the TEL to access response time or load handling capability of your system or our host prior to going into production.
5. The responding firm must provide references, including contact names and telephone numbers. Local references are preferred.
6. The responding firm must include the provisions of all warranties provided.

Attachment A

Mitel3300 ICP Phone system (Nashville Headquarters)

50002971	3300 Universal Controller (700 User)	1
50001270	3300 Universal NSU (NA)	2
50001266	3300 Universal ASU (NA) 16 Industry Standard/4	1
50003565	3300 Release 4.0 Base Software	1
54000540	3300 IP Networking License	1
54000650	3300 Compression License (8 Channels)	5
54000297	3300 - 1 Mailbox License	215
50002373	Peripheral Node 19" 120V AC NA	1
MC330AB	DNIC Line Card (16 Circuits)	3
54000300	3300 - 1 ACD Agent License	40
54000303	3300 - Network Link License	2
50002976	Power Cord Pack (Qty 3); NA	1
50002979	3300 Quad DSP Card	2
51006253	6110 CCM: 1-50 Agents	1
50003560	3300 Embedded Digital Trunk Module	1
50003292	6510 Base, Software, 4 Ports, 2 Text-To-Speech	1
54000760	6510 - 4 Port Increments (up to 16 Ports)	3
54000770	IP Integration for Messaging Server	1
US SP	US Service Pack	1

EXHIBIT C

MINORITY-OWNED BUSINESS UTILIZATION PLAN (MUST BE COMPLETED AT CONTRACT AWARD)

Company: _____
RFP: Interactive Voice Response System

I, _____, do certify that on the following procurement opportunity
(Vendor)

_____, the following Minority-Owned Businesses will be utilized as
(Opportunity)
subcontractors, vendors, suppliers, or provide professional services:

Name	Description of Work	Contract Value	Joint Venture (Yes/No)	% of Minority Ownership	Certified (Yes/No)	Certification Agency

(If additional space is needed this form may be duplicated)

TOTAL CONTRACT VALUE: _____

TOTAL % OF MINORITY BUSINESS PARTICIPATION: _____

I hereby certify that MOB were unavailable as defined in the EBO program to submit bids to provide goods and services for this RFP/Bid's purpose.

Reasons for the "Unavailability":

The finalized EBO Form B shall not be changed or altered after award of a contract without approval from the Corporation. The Vendor is required to provide written notice describing the reasons for the change to the Corporation to obtain approval of any changes to this form.

Submitted by:

Authorized Representative Signature

Title

Date